

IC 20-8.1-6.1

Chapter 6.1. Transfers and Transfer Tuition

IC 20-8.1-6.1-1**Legal settlement**

Sec. 1. (a) The legal settlement of a student shall be governed by the following provisions:

(1) If the student is under eighteen (18) years of age, or is over that age but is not emancipated, the legal settlement of the student is in the attendance area of the school corporation where the student's parents reside.

(2) Where the student's mother and father, in a situation otherwise covered in subdivision (1), are divorced or separated, the legal settlement of the student is the school corporation whose attendance area contains the residence of the parent with whom the student is living, in the following situations:

(A) Where no court order has been made establishing the custody of the student.

(B) Where both parents have agreed on the parent or person with whom the student will live.

(C) Where the parent granted custody of the student has abandoned the student. In the event of a dispute between the parents of the student, or between the parents and any student over eighteen (18) years of age, the legal settlement of the student shall be determined as otherwise provided in this section.

(3) Where the legal settlement of a student, in a situation to which subdivision (1) otherwise applies, cannot reasonably be determined, and the student is being supported by, cared for by, and living with some other person, the legal settlement of the student shall be in the attendance area of that person's residence, except where the parents of the student are able to support the student but have placed him in the home of another person, or permitted the student to live with another person, primarily for the purpose of attending school in the attendance area where the other person resides. The school may, if the facts are in dispute, condition acceptance of the student's legal settlement on the appointment of that person as legal guardian or custodian of the student, and the date of legal settlement will be fixed to coincide with the commencement of the proceedings for the appointment of a guardian or custodian. However, if a student does not reside with the student's parents because the student's parents are unable to support the child (and the child is not residing with a person other than a parent primarily for the purpose of attending a particular school), the student's legal settlement is where the student resides, and the establishment of a legal guardianship may not be required by the school. In addition, a legal guardianship or custodianship established solely for the purpose of attending school in a particular school corporation does not affect the determination of the legal

settlement of the student under this chapter.

(4) Where a student, to which subdivision (1) would otherwise apply, is married and living with a spouse, the legal settlement of that student is in the attendance area of the school corporation where the student and the student's spouse reside.

(5) Where the student's parents:

(A) are living outside the United States due to educational pursuits or a job assignment;

(B) maintain no permanent home in any school corporation in the United States; and

(C) have placed the student in the home of another person; the legal settlement of the student is in the attendance area where the other person resides.

(6) Where the student is emancipated, the legal settlement is the attendance area of the school corporation of the student's residence.

(7) Where a student's legal settlement is changed after the student has begun attending school in a school corporation in any school year, the effective date of change may:

(A) at the election of:

(i) the parent;

(ii) the student if the student is eighteen (18) years of age or older; or

(iii) a juvenile court conducting a proceeding under IC 31-34-20-5, IC 31-34-21-10, IC 31-37-19-26, or IC 31-37-20-6 (or IC 31-6-4-18.5 before its repeal);

be extended until the end of that semester; or

(B) at the discretion of the school, until the end of that school year.

However, that election, where a student has completed grade 11 in any school year, shall extend to the end of the following school year in grade 12.

(8) If a juvenile court has:

(A) made findings of fact concerning the legal settlement of a student under IC 31-34-20-5, IC 31-34-21-10, IC 31-37-19-26, or IC 31-37-20-6 (or IC 31-6-4-18.5 before its repeal); and

(B) jurisdiction over the student under IC 31-34 or IC 31-37; the legal settlement of the student is the attendance area specified as the legal settlement in the latest findings of fact issued by the juvenile court.

(b) The words "residence", "resides", or other comparable language when used in this chapter with respect to legal settlement, transfers, and the payment of tuition, means a permanent and principal habitation which a person uses for a home for a fixed or indefinite period, at which the person remains when not called elsewhere for work, studies, recreation, or other temporary or special purpose. These terms are not synonymous with legal domicile. Where a court order grants a person custody of a student, the residence of the student is where that person resides.

(c) The superintendent of public instruction shall prepare the form of agreement to be used under subsection (a)(2) and a form to be executed by any person with whom the student is living under subsection (a)(2), (a)(3), or (a)(5). The execution of the latter form by the person and its continuance in force is a condition to the application of subsection (a)(2), (a)(3), or (a)(5). The form must contain an agreement of the person that the person shall, with respect to dealing with the school corporation and for all other purposes under this article, assume all the duties and be subject to all the liabilities of a parent of the student in the same manner as if the person were the student's parent. On the execution of that form and for as long as it remains in force, the person shall have these duties and liabilities.

(d) A student is emancipated when the student:

- (1) furnishes the student's support from the student's own resources;
- (2) is not dependent in any material way on the student's parents for support;
- (3) files or is required by applicable law to file a separate tax return; and
- (4) maintains a residence separate from that of the student's parents.

As added by Acts 1976, P.L.101, SEC.10. Amended by P.L.225-1987, SEC.1; P.L.51-1990, SEC.14; P.L.36-1994, SEC.29; P.L.119-1996, SEC.5; P.L.1-1997, SEC.103.

IC 20-8.1-6.1-2

Transfer at the request of parents or student

Sec. 2. (a) The parents of any student, regardless of the student's age, or the student after the student has reached eighteen (18) years of age, may request a transfer from a school corporation in which the student has a legal settlement to a transferee school corporation in Indiana or another state if the student may be better accommodated in the public schools of the transferee corporation. Whether the student can be better accommodated depends on such matters as:

- (1) crowded conditions of the transferee or transferor corporation; and
- (2) curriculum offerings at the high school level that are important to the vocational or academic aspirations of the student.

(b) This request for transfer must be made in writing to the transferor corporation which shall immediately mail a copy to the transferee corporation. This request must be made at the times provided by rule of the state board of education. The transfer is effected if both the transferee and the transferor corporations approve the transfer within thirty (30) days after that mailing. The transfer shall be denied when either school corporation either:

- (1) mails a written denial by certified mail to the requesting parents or student at their last known address; or
- (2) fails to act on the request within that period.

(c) In that event, an appeal may be taken to the state board of education by the requesting parents, or student, if perfected within ten (10) days after the denial. This appeal shall be perfected by mailing a notice of appeal by certified mail to the superintendent of each school corporation and the state board of education. The superintendent of public instruction shall develop forms for this purpose, and the transferor corporation shall assist the parents or student in the mechanics of perfecting the appeal. Appeals shall be heard in accord with section 10 of this chapter.

As added by Acts 1976, P.L.101, SEC.10. Amended by P.L.20-1984, SEC.94; P.L.225-1987, SEC.2; P.L.135-1988, SEC.3.

IC 20-8.1-6.1-3

Cash transfers

Sec. 3. (a) A school corporation may accept a transferring student without approval of the transferor corporation under section 2 of this chapter.

(b) No transfer may, however, be accepted unless the requesting parents or student pays transfer tuition in an amount determined under the formula established in section 8 of this chapter for the payment of transfer tuition by a transferor school corporation. However, the transferee school shall not offset the amounts described in section 8(b) STEP TWO (B) through section 8(b) STEP TWO (D) of this chapter from the amount charged to the requesting parents or student.

(c) This tuition shall be paid by the parents or the student before the end of the school year in such installments as the transferee corporation determines.

(d) Failure to pay any installment is a ground for exclusion from school.

As added by Acts 1976, P.L.101, SEC.10. Amended by P.L.135-1988, SEC.4; P.L.119-1996, SEC.6.

IC 20-8.1-6.1-4

Transfers; children with disability

Sec. 4. (a) A school corporation may transfer a student with a physical, emotional, or mental disability to a transferee corporation which maintains special programs or facilities for children with the disability of the transferred student.

(b) In that event, the transferee corporation may refuse the transfer by mailing a notice by certified mail to:

- (1) the transferor corporation;
- (2) the parents of the student; and
- (3) the state board of education.

(c) The state board of education shall determine the question of granting a transfer in accord with the procedure set out in section 10 of this chapter.

As added by Acts 1976, P.L.101, SEC.10. Amended by P.L.20-1984, SEC.95; P.L.135-1988, SEC.5.

IC 20-8.1-6.1-5**Public and private institutions; foster homes; payment of transfer tuition**

Sec. 5. (a) A student who is placed in a state licensed private or public health care facility, child care facility, or foster family home:

- (1) by or with the consent of the division of family and children;
- (2) by a court order; or
- (3) by a child-placing agency licensed by the division of family and children;

may attend school in the school corporation in which the home or facility is located. If the school corporation in which the home or facility is located is not the school corporation in which the student has legal settlement, the school corporation in which the student has legal settlement shall pay the transfer tuition of the student.

(b) A student who is placed in a state licensed private or public health care or child care facility by a parent or guardian may attend school in the school corporation in which the facility is located if:

- (1) the placement is necessary for the student's physical or emotional health and well-being and, if the placement is in a health care facility, is recommended by a physician; and
- (2) the placement is projected to be for no less than fourteen (14) consecutive calendar days or an aggregate of twenty (20) calendar days.

The school corporation in which the student has legal settlement shall pay the transfer tuition of the student. The parent or guardian of the student shall notify the school corporation in which the facility is located and the school corporation of the student's legal settlement, if identifiable, of the placement. No later than thirty (30) days after this notice, the school corporation of legal settlement shall either pay the transfer tuition of the transferred student or appeal the payment by notice to the department of education. The acceptance or notice of appeal by the school corporation shall be given by certified mail to the parent or guardian of the student and any affected school corporation. In the case of a student who is not identified as disabled under IC 20-1-6, the Indiana state board of education shall make a determination on transfer tuition in accordance with the procedures set out in section 10 of this chapter. In the case of a student who has been identified as disabled under IC 20-1-6, the determination on transfer tuition shall be made in accordance with this subsection and the procedures adopted by the Indiana state board of education under IC 20-1-6-2.1(a)(5).

(c) A student who is placed in:

- (1) an institution operated by the division of disability, aging, and rehabilitative services or the division of mental health and addiction; or
- (2) an institution, a public or private facility, a home, a group home, or an alternative family setting by the division of disability, aging, and rehabilitative services or the division of mental health and addiction;

may attend school in the school corporation in which the institution is located. The state shall pay the transfer tuition of the student, unless another entity is required to pay the transfer tuition as a result of a placement described in subsection (a) or (b) or another state is obligated to pay the transfer tuition.

As added by Acts 1976, P.L.101, SEC.10. Amended by Acts 1979, P.L.130, SEC.18; Acts 1982, P.L.48, SEC.3; P.L.20-1984, SEC.96; P.L.225-1987, SEC.3; P.L.135-1988, SEC.6; P.L.1-1990, SEC.232; P.L.2-1992, SEC.705; P.L.4-1993, SEC.254; P.L.5-1993, SEC.267; P.L.23-1993, SEC.107; P.L.61-1993, SEC.63; P.L.1-1994, SEC.94; P.L.36-1994, SEC.30; P.L.119-1996, SEC.7; P.L.118-1999, SEC.1; P.L.215-2001, SEC.97.

IC 20-8.1-6.1-5.5

Notice of legal settlement and placement

Sec. 5.5. (a) This section applies to each student:

- (1) described in section 5(a) of this chapter;
- (2) who is placed in a home or facility in Indiana that is outside the school corporation where the student has legal settlement; and
- (3) for which the state is not obligated to pay transfer tuition.

(b) Not later than ten (10) days after a county places or changes the placement of a student, the county that placed the student shall notify the school corporation where the student has legal settlement and the school corporation where the student will attend school of the placement or change of placement. Before June 30 of each year, a county that places a student in a home or facility shall notify the school corporation where a student has legal settlement and the school corporation in which a student will attend school if a student's placement will continue for the ensuing school year. The notifications required under this subsection shall be made by the:

- (1) county office (as defined in IC 12-7-2-45) if the county office or the division of family and children placed or consented to the placement of the student; or
- (2) the court or other agency making the placement, if subdivision (1) does not apply.

As added by P.L.340-1995, SEC.55.

IC 20-8.1-6.1-6

Transfer; special cases

Sec. 6. (a) A student who is the child of a state employee who resides on state owned property, resides on state owned property, or is the child of a full-time employee of a state supported postsecondary institution, who resides on property owned or operated by the state supported postsecondary institution and used for educational, research, or public service programs, is considered a transferred student if:

- (1) the student attends a public school in the school corporation located nearest to the student's residence within the county in which all or a part of either the state owned property, or the

property owned or operated by the state supported postsecondary institution, is located; or

(2) the state owned property is the Soldiers' and Sailors' Children's Home and the student attends a public school in the county in which the home is located or in an adjacent county.

Transfer tuition for a student transferred under this subsection shall be paid by the state. This subsection does not apply, however, to children of state employees residing in student housing on property owned by any state supported postsecondary school institution.

(b) A foreign student visiting in Indiana under any student exchange program approved by the Indiana state board of education is considered a resident student with legal settlement in the school corporation where the foreign exchange student resides. The student may attend a school in the school corporation in which the family with whom the student is living resides. A school corporation which receives a foreign student may not be paid any transfer tuition. The school corporation shall include the foreign student in computations for purposes of determining the amount of state aid which it is entitled to receive.

As added by Acts 1976, P.L.101, SEC.10. Amended by Acts 1977, P.L.245, SEC.1; Acts 1979, P.L.208, SEC.1; Acts 1979, P.L.204, SEC.2; Acts 1980, P.L.149, SEC.1; Acts 1982, P.L.46, SEC.2; P.L.20-1984, SEC.97; P.L.135-1988, SEC.7; P.L.119-1996, SEC.8.

IC 20-8.1-6.1-6.1

Suspended, expelled, or excluded emotionally disturbed children

Sec. 6.1. (a) A school corporation may enter into an agreement with:

(1) a nonprofit corporation that operates a federally approved education program; or

(2) a nonprofit corporation that:

(A) is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code;

(B) for its classroom instruction, employs teachers who are certified by the professional standards board;

(C) employs other professionally and state licensed staff as appropriate; and

(D) educates children who:

(i) have been suspended, expelled, or excluded from a public school in that school corporation and have been found to be emotionally disturbed;

(ii) have been placed with the nonprofit corporation by court order;

(iii) have been referred by a local health department; or

(iv) have been placed in a state licensed private or public health care or child care facility as described in section 5(b) of this chapter;

in order to provide a student with an individualized education program that is the most suitable educational program available.

(b) If a school corporation that is a transferee corporation enters

into an agreement as described in subsection (a), the school corporation shall pay to the nonprofit corporation an amount agreed upon from the transfer tuition of the student. The amount agreed upon may not exceed the transfer tuition costs that otherwise would be payable to the transferee corporation.

(c) If a school corporation that is a transferor corporation enters into an agreement as described in subsection (a), the school corporation shall pay to the nonprofit corporation an amount agreed upon which may not exceed the transfer tuition costs that otherwise would be payable to a transferee school corporation.

As added by P.L.134-1988, SEC.2. Amended by P.L.118-1999, SEC.2.

IC 20-8.1-6.1-7

Interstate transfers; tuition fee; transfer tuition

Sec. 7. (a) If a student is transferred under section 2 of this chapter from a school corporation in Indiana to a public school corporation in another state, the transferor corporation shall pay the transferee corporation the full tuition fee charged by the transferee corporation. However, the amount of the full tuition fee must not exceed the amount charged by the transferor corporation for the same class of school, or if the school has no such classification, the amount must not exceed the amount charged by the geographically nearest school corporation in Indiana which has such classification.

(b) If a child is:

(1) placed by a court order in an out-of-state institution or other facility; and

(2) provided all educational programs and services by a public school corporation in the state where the child is placed, whether at the facility, the public school, or another location;

the county office of family and children for the county placing the child shall pay from the county family and children's fund to the public school corporation in which the child is enrolled the amount of transfer tuition specified in subsection (c).

(c) The transfer tuition for which a county office is obligated under subsection (b) is equal to the following:

(1) The amount under a written agreement among the county office, the institution or other facility, and the governing body of the public school corporation in the other state that specifies the amount and method of computing transfer tuition.

(2) The full tuition fee charged by the transferee corporation, if subdivision (1) does not apply. However, the amount of the full tuition fee must not exceed the amount charged by the transferor corporation for the same class of school, or if the school has no such classification, the amount must not exceed the amount charged by the geographically nearest school corporation in Indiana which has such classification.

(d) If a child is:

(1) placed by a court order in an out-of-state institution or other facility; and

(2) provided:

(A) onsite educational programs and services either through the facility's employees or by contract with another person or organization that is not a public school corporation; or

(B) educational programs and services by a nonpublic school;

the county office of family and children for the county placing the child shall pay from the county family and children's fund in an amount and in the manner specified in a written agreement between the county office and the institution or other facility.

(e) An agreement described in subsection (c) or (d) is subject to the approval of the director of the division of family and children. However, for purposes of IC 4-13-2, the agreement shall not be treated as a contract.

As added by Acts 1976, P.L.101, SEC.10. Amended by P.L.135-1988, SEC.8; P.L.119-1996, SEC.9.

IC 20-8.1-6.1-8

Determination of transfer tuition

Sec. 8. (a) As used in this section, the following terms have the following meanings:

(1) "Class of school" refers to a classification of each school or program in the transferee corporation by the grades or special programs taught at the school. Generally, these classifications are denominated as kindergarten, elementary school, middle school or junior high school, high school, and special schools or classes, such as schools or classes for special education, vocational training, or career education.

(2) "ADM" means the following:

(A) For purposes of allocating to a transfer student state distributions under IC 21-1-30 (primetime), "ADM" as computed under IC 21-1-30-2.

(B) For all other purposes, "ADM" as set forth in IC 21-3-1.6-1.1.

(3) "Pupil enrollment" means the following:

(A) The total number of students in kindergarten through grade 12 who are enrolled in a transferee school corporation on a date determined by the Indiana state board of education.

(B) The total number of students enrolled in a class of school in a transferee school corporation on a date determined by the Indiana state board of education.

However, a kindergarten student shall be counted under clauses (A) and (B) as one-half (1/2) a student.

(4) "Special equipment" means equipment that during a school year:

(A) is used only when a child with disabilities is attending school;

(B) is not used to transport a child to or from a place where the child is attending school;

(C) is necessary for the education of each child with

disabilities that uses the equipment, as determined under the individualized instruction program for the child; and
(D) is not used for or by any child who is not a child with disabilities.

The Indiana state board of education may select a different date for counts under subdivision (3). However, the same date shall be used for all school corporations making a count for the same class of school.

(b) Each transferee corporation is entitled to receive for each school year on account of each transferred student, except a student transferred under section 3 of this chapter, transfer tuition from the transferor corporation or the state as provided in this chapter. Transfer tuition equals the amount determined under STEP THREE of the following formula:

STEP ONE: Allocate to each transfer student the capital expenditures for any special equipment used by the transfer student and a proportionate share of the operating costs incurred by the transferee school for the class of school where the transfer student is enrolled.

STEP TWO: If the transferee school included the transfer student in the transferee school's ADM for a school year, allocate to the transfer student a proportionate share of the following general fund revenues of the transferee school for, except as provided in clause (C), the calendar year in which the school year ends:

(A) The following state distributions that are computed in any part using ADM or other pupil count in which the student is included:

- (i) Primetime grant under IC 21-1-30.
- (ii) Tuition support for basic programs and at-risk weights under IC 21-3-1.7-8 (before January 1, 1996) and only for basic programs (after December 31, 1995).
- (iii) Enrollment growth grant under IC 21-3-1.7-9.5.
- (iv) At-risk grant under IC 21-3-1.7-9.7.
- (v) Academic honors diploma award under IC 21-3-1.7-9.8.
- (vi) Vocational education grant under IC 21-3-12.
- (vii) Special education grant under IC 21-3-2.1.
- (viii) The portion of the ADA flat grant that is available for the payment of general operating expenses under IC 21-3-4.5-2(b)(1).

(B) For school years beginning after June 30, 1997, property tax levies.

(C) For school years beginning after June 30, 1997, excise tax revenue (as defined in IC 21-3-1.7-2) received for deposit in the calendar year in which the school year begins.

(D) For school years beginning after June 30, 1997, allocations to the transferee school under IC 6-3.5.

STEP THREE: Determine the greater of:

- (A) zero (0); or

(B) the result of subtracting the STEP TWO amount from the STEP ONE amount.

If a child is placed in an institution or facility in Indiana under a court order, the institution or facility shall charge the county office of the county of the student's legal settlement under IC 12-19-7 for the use of the space within the institution or facility (commonly called capital costs) that is used to provide educational services to the child based upon a prorated per student cost.

(c) Operating costs shall be determined for each class of school where a transfer student is enrolled. The operating cost for each class of school is based on the total expenditures of the transferee corporation for the class of school from its general fund expenditures as specified in the classified budget forms prescribed by the state board of accounts. This calculation excludes:

- (1) capital outlay;
- (2) debt service;
- (3) costs of transportation;
- (4) salaries of board members;
- (5) contracted service for legal expenses; and
- (6) any expenditure which is made out of the general fund from extracurricular account receipts;

for the school year.

(d) The capital cost of special equipment for a school year is equal to:

- (1) the cost of the special equipment; divided by
- (2) the product of:
 - (A) the useful life of the special equipment, as determined under the rules adopted by the Indiana state board of education; multiplied by
 - (B) the number of students using the special equipment during at least part of the school year.

(e) When an item of expense or cost described in subsection (c) cannot be allocated to a class of school, it shall be prorated to all classes of schools on the basis of the pupil enrollment of each class in the transferee corporation compared to the total pupil enrollment in the school corporation.

(f) Operating costs shall be allocated to a transfer student for each school year by dividing:

- (1) the transferee school corporation's operating costs for the class of school in which the transfer student is enrolled; by
- (2) the pupil enrollment of the class of school in which the transfer student is enrolled.

When a transferred student is enrolled in a transferee corporation for less than the full school year of pupil attendance, the transfer tuition shall be calculated by the portion of the school year for which the transferred student is enrolled. A school year of pupil attendance consists of the number of days school is in session for pupil attendance. A student, regardless of the student's attendance, is enrolled in a transferee school unless the student is no longer entitled to be transferred because of a change of residence, the student has

been excluded or expelled from school for the balance of the school year or for an indefinite period, or the student has been confirmed to have withdrawn from school. The transferor and the transferee corporation may enter into written agreements concerning the amount of transfer tuition due in any school year. Where an agreement cannot be reached, the amount shall be determined by the Indiana state board of education, and costs may be established, when in dispute, by the state board of accounts.

(g) A transferee school shall allocate revenues described in subsection (b) STEP TWO to a transfer student by dividing:

- (1) the total amount of revenues received; by
- (2) the ADM of the transferee school for the school year that ends in the calendar year in which the revenues are received.

However, for state distributions under IC 21-1-30, IC 21-3-2.1, IC 21-3-12, or any other statute that computes the amount of a state distribution using less than the total ADM of the transferee school, the transferee school shall allocate the revenues to the transfer student by dividing the revenues that the transferee school is eligible to receive in a calendar year by the pupil count used to compute the state distribution.

(h) In lieu of the payments provided in subsection (b), the transferor corporation or state owing transfer tuition may enter into a long term contract with the transferee corporation governing the transfer of students. This contract is for a maximum period of five (5) years with an option to renew, and may specify a maximum number of pupils to be transferred and fix a method for determining the amount of transfer tuition and the time of payment, which may be different from that provided in section 9 of this chapter.

(i) If the school corporation can meet the requirements of IC 21-1-30-5, it may negotiate transfer tuition agreements with a neighboring school corporation that can accommodate additional students. Agreements under this section may be for one (1) year or longer and may fix a method for determining the amount of transfer tuition or time of payment that is different from the method, amount, or time of payment that is provided in this section or section 9 of this chapter. A school corporation may not transfer a student under this section without the prior approval of the child's parent or guardian.

(j) If a school corporation experiences a net financial impact with regard to transfer tuition that is negative for a particular school year as described in IC 6-1.1-19-5.1, the school corporation may appeal for an excessive levy as provided under IC 6-1.1-19-5.1.

As added by Acts 1976, P.L.101, SEC.10. Amended by P.L.111-1984, SEC.3; P.L.20-1984, SEC.98; P.L.135-1988, SEC.9; P.L.38-1994, SEC.2; P.L.36-1994, SEC.31; P.L.119-1996, SEC.10; P.L.260-1997(ss), SEC.58; P.L.1-2002, SEC.85; P.L.111-2002, SEC.1.

IC 20-8.1-6.1-9

Estimated transfer tuition payments; statements of amount; method of payment

Sec. 9. (a) Not later than March 1, a school corporation shall estimate the:

- (1) transfer tuition payments that the school corporation is required to pay for students transferring from the school corporation; and
- (2) transfer tuition payments that the school corporation is entitled to receive on behalf of students transferring to the school corporation.

A school corporation shall send a preliminary statement of the amount of transfer tuition due to the state agency and to any school corporation that owes transfer tuition to the school corporation.

(b) Not later than October 1 following the end of a school year, a school corporation shall send a final statement of the amount of transfer tuition due to the state agency and to any school corporation that owes transfer tuition to the school corporation.

(c) A statement sent under subsection (a) or (b) must include the following:

- (1) A statement, to the extent known, of all transfer tuition costs chargeable to the state or school corporation for the school year ending in the current calendar year.
- (2) A statement of any transfer tuition costs chargeable to the state or school corporation and not previously billed for the school year ending in the immediately preceding calendar year.
- (3) A statement of any transfer tuition costs previously billed to the state or school corporation and not yet paid.

(d) Transfer tuition for each school year shall be paid by the transferor corporation or state, if the entity is obligated to pay the tuition, in not more than four (4) installments. These installments must be paid not later than October 30, January 10, April 10, and July 10 following the school year in which the obligation is incurred, unless another schedule is mutually agreed upon.

(e) Payment of operating costs shall be paid from and receipted to the respective general funds of the transferor and transferee corporations. Payment of capital costs shall be made by the transferor corporation at its discretion from any fund or source and shall be receipted by the transferee corporation at its discretion either to the capital projects fund or to the debt service fund, or if the transferee corporation has neither of these two (2) funds, to its general fund.

As added by Acts 1976, P.L.101, SEC.10. Amended by Acts 1979, P.L.208, SEC.2; P.L.135-1988, SEC.10; P.L.36-1994, SEC.32; P.L.119-1996, SEC.11; P.L.260-1997(ss), SEC.60.

IC 20-8.1-6.1-10

Determination by Indiana state board of education

Sec. 10. (a) The Indiana state board of education shall hear the following:

- (1) All appeals from an order expelling a child under IC 20-8.1-5.1-11.
- (2) All appeals provided in this chapter.
- (3) All disputes on the following:

- (A) Legal settlement.
- (B) Right to transfer.
- (C) Right to attend school in any school corporation.
- (D) Amount of transfer tuition.
- (E) Any other matter arising under this chapter.

The board shall hold a hearing on the timely written application of any interested party.

(b) The Indiana state board of education shall make its determination under the following procedure:

- (1) A hearing shall be held on each matter presented.
- (2) Each interested party, including where appropriate, the parents, the student, the transferor corporation, the transferee corporation, or the state, shall be given at least ten (10) days notice of the hearing by certified mail or by personal delivery.
- (3) The date of giving the notice is the date of mailing or delivery.
- (4) Any interested party may appear at the hearing in person or by counsel, present evidence, cross-examine witnesses, and present in writing or orally summary statements of position.
- (5) A written or recorded transcript of the hearing shall be made.
- (6) The hearing may be held by the Indiana state board of education or by a hearing examiner appointed by it who must be a state employee.
- (7) The hearing, at the option of the Indiana state board of education or hearing examiner, may be held at any place in Indiana.
- (8) The hearing examiner shall make written findings of fact and recommendations.
- (9) The determination of the Indiana state board of education shall be made on the basis of the record, summaries, and findings, but it is required to examine only those parts of the entire record as it deems necessary.

(c) The hearing and proceedings are not governed by IC 4-21.5.

(d) The determination of the Indiana state board of education is final and binding on the parties to the proceeding.

(e) A notice of the board's determination shall be mailed to each party by certified mail. No action to contest the validity of the decision may be instituted at any time later than thirty (30) days after the mailing of the notice.

As added by Acts 1976, P.L.101, SEC.10. Amended by P.L.20-1984, SEC.99; P.L.7-1987, SEC.96; P.L.135-1988, SEC.11; P.L.36-1994, SEC.33; P.L.131-1995, SEC.11; P.L.119-1996, SEC.12.

IC 20-8.1-6.1-11

Rules of implementation and enforcement; award to prevailing school corporation

Sec. 11. (a) The provisions to implement this chapter, including the calculation of transfer tuition, the credits for state distribution, and the time in the year when requests for transfer must be filed,

shall be implemented by rules adopted by the Indiana state board of education.

(b) The Indiana state board of education shall also adopt rules for the enforcement of the payment of transfer tuition. This enforcement may include, but is not limited to, the withholding of state support from the transferor corporation for the benefit of the transferee corporation, the charging of interest, penalties for late payment, and the costs of collection.

(c) Whenever a school corporation prevails at the final adjudication of an administrative proceeding under this chapter, or a lawsuit against a school corporation, to compel payment of transfer tuition owed by the school corporation under this chapter, the administrative body or the court shall award to the prevailing party the transfer tuition owed, if any, plus reasonable attorney's fees and interest as provided by law.

As added by Acts 1976, P.L.101, SEC.10. Amended by Acts 1982, P.L.48, SEC.4; P.L.20-1984, SEC.100; P.L.225-1987, SEC.4; P.L.135-1988, SEC.12; P.L.36-1994, SEC.34.

IC 20-8.1-6.1-12

Tuition support reporting requirements

Sec. 12. (a) Annually before the date specified in the rules adopted by the Indiana state board of education, each school corporation shall report the information specified in subsection (b) for each student:

- (1) for whom tuition support is paid by another school corporation;
 - (2) for whom tuition support is paid by the state; and
 - (3) who is enrolled in the school corporation but has the equivalent of a legal settlement in another state or country;
- to the county office (as defined in IC 12-7-2-45) for the county in which the principal office of the school corporation is located and to the department of education.

(b) Each school corporation shall provide the following information for each school year beginning with the school year beginning July 1, 1994, for each category of student described in subsection (a):

- (1) The amount of tuition support and other support received for the students described in subsection (a).
 - (2) The operating expenses, as determined under section 8 of this chapter, incurred for the students described in subsection (a).
 - (3) Special equipment expenditures that are directly related to educating students described in subsection (a).
 - (4) The number of transfer students described in subsection (a).
 - (5) Any other information required under the rules adopted by the Indiana state board of education after consultation with the office of the secretary of family and social services.
- (c) The information required under this section shall be reported in the format and on the forms specified by the Indiana state board

of education.

(d) Not later than November 30 of each year beginning after December 31, 1994, the department of education shall compile the information required from school corporations under this section and submit the compiled information in the form specified by the office of the secretary of family and social services to the office of the secretary of family and social services.

(e) Not later than November 30 of each year beginning after December 31, 1994, each county office shall submit the following information to the office of the secretary of family and social services for each child who is described in IC 12-19-7-1(1) and is placed in another state or is a student in a school outside the school corporation where the child has legal settlement:

- (1) The name of the child.
- (2) The name of the school corporation where the child has legal settlement.
- (3) The last known address of the custodial parent or guardian of the child.
- (4) Any other information required by the office of the secretary of family and social services.

(f) Not later than December 31 of each year, the office of the secretary of family and social services shall submit a report to the members of the budget committee and the executive director of the legislative services agency that compiles and analyzes the information required from school corporations under this section. The report shall identify the types of state and local funding changes that are needed to provide adequate state and local money to educate transfer students. A report submitted under this subsection to the executive director of the legislative services agency must be in an electronic format under IC 5-14-6.

As added by P.L.36-1994, SEC.35. Amended by P.L.119-1996, SEC.13; P.L.28-2004, SEC.150.

IC 20-8.1-6.1-13

Joint liability of health care facility or child care institution for transfer tuition

Sec. 13. (a) If a student:

- (1) has legal settlement in the attendance area of a school corporation in another state, when legal settlement is determined without regard to the appointment of a guardian in Indiana solely for the purpose of facilitating the placement of the student in a facility described in subdivision (2);
- (2) is placed in a state licensed private or public health care facility, private or public child care institution, or treatment center in Indiana by:
 - (A) the parent or guardian of the student; or
 - (B) a governmental entity in another state; and
- (3) is enrolled in a school corporation in Indiana;

the state licensed private or public health care facility, private or public child care institution, or treatment center where the student is

placed, regardless of when the student is placed, is jointly liable with the person placing the student for transfer tuition under this chapter.

(b) Notwithstanding subsection (a), a sole proprietorship, a partnership, an association, a corporation, a limited liability company, a fiduciary, an individual who is not the student's parent or guardian, or another entity in Indiana that accepts the placement of a student who:

(1) has legal settlement in the attendance area of a school corporation in another state; and

(2) is enrolled in a school corporation in Indiana;

is the guarantor for the student's transfer tuition under this chapter unless there is another guarantor. The Indiana state board of education shall hear all appeals under this subsection in accordance with section 10 of this chapter.

As added by P.L.119-1996, SEC.14. Amended by P.L.118-1999, SEC.3.